AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: 10:15 a.m., Tuesday, July 22, 2014
Glenn S. Dumke Auditorium

Douglas Faigin, Chair
Steven M. Glazer, Vice Chair
Talar Alexanian
Adam Day
Debra S. Farar
Margaret Fortune
Lupe C. Garcia
Lillian Kimbell
J. Lawrence Norton
Steven G. Stepanek

Consent Items

Approval of Minutes of Meeting of May 21, 2014

Discussion Items

1. Legislative Update, Information
Members Present
Debra Farar, Acting Chair
Adam Day
Lupe C. Garcia
Bob Linscheid, Chair of the Board
J. Lawrence Norton
Steven G. Stepanek
Cipriano Vargas
Timothy P. White, Chancellor

Trustee Farar called the meeting to order.

Approval of Minutes

The minutes of March 26, 2014, were approved as submitted.

Legislative Update

Mr. Garrett Ashley, vice chancellor for university relations and advancement, and Ms. Karen Y. Zamarripa, assistant vice chancellor for advocacy and state relations, presented this item.

Mr. Ashley reported that the California State University (CSU) leadership and partners have been to Sacramento on several occasions to advocate for the system’s budget. Advocacy efforts include the CSU Legislative Advocacy Day, Engineering Advocacy Day, and the annual Joint Higher Education Advocacy Day.

Ms. Zamarripa provided an update on current bills in the state legislature and an overview of advocacy activities:

• The CSU has been successful in moving forward its sponsored legislation on the faculty trustee holdover appointment and on reporting requirement modifications, pending further action in the senate.
• The priority bill dealing with the winemaking programs has moved from its policy committee. The priority bill on a state-supported loan program for SB540 students is pending action in fiscal committee.

• **AB 2153 (Gray) Postsecondary Education: Course Offerings:** This bill is in response to the Bureau of State Audit report urging the CSU and the legislature to define “supplant,” and is sponsored by the California Faculty Association. It would effectively prohibit any programs or courses for undergraduate students through extended education.

• **AB 2610 (Williams) California State University: Special Sessions:** Assemblymember Das Williams has an alternative measure to address the definition of “supplant” after the conclusion of the work being done by a statewide task force chaired by California State University, San Marcos President Karen Haynes and comprised of students, faculty and deans.

• **SB 943 (Beall) California State University: Personal Services Contracting:** This bill, sponsored by the California State University Employees Union, would have required the CSU to go through the State Personnel Board prior to entering into any personal service contracts. The CSU opposed this bill, which failed in the Senate Education Committee.

• **AB 2235 (Buchanan) Education Facilities: Kindergarten-University Public Education Facilities Bond of 2014:** This bill would place a general obligation bond on a future ballot, and is supported by the CSU and the K-12 community.

• **SB 850 (Block) Baccalaureate Degree Pilot Program:** This bill allows up to 15 community college districts to pilot baccalaureate degree programs under specific conditions, such as no duplication of programs already offered in the region.

• **SB 967 (De León and Jackson) Student Safety: Sexual Assault and AB 1433 (Gatto) Student Safety:** These bills deal with sexual assault programs and reporting on college campuses. These measures are consistent with current CSU policy and/or parallel pending federal requirements.

The CSU has been working closely with faculty, staff and students to advocate for the $95 million budget request. A campaign has been developed that goes beyond traditional lobbying. As a result, seventy-eight members of the legislature and all members of the Latino Caucus have signed letters to their leadership seeking the additional support for the CSU.

Ms. Zamarripa thanked Sarah Couch and the California State Student Association for their hard work on this campaign delivering signs and posting on social media, as well as Diana Guerin and Academic Senate for their ongoing support.
COMMITTEE ON GOVERNMENTAL RELATIONS

Legislative Update

Presentation By

Garrett Ashley
Vice Chancellor
University Relations and Advancement

Karen Y. Zamarripa
Assistant Vice Chancellor
Advocacy and State Relations

Summary

This item contains an overview of key issues and legislative measures that may impact or interest the California State University (CSU). The status of each bill is current as of June 30, 2014.

Background

The legislature began summer recess on July 4 and will return in a month to finish the second year of the 2013-14 legislative session. Both houses have completed their policy review of all measures. When the legislature returns in August, bills will be heard in their respective fiscal committees and taken up on the floor of each house. Adopted measures are sent to the Governor for his final consideration. Following the conclusion of the session on August 30, members will return to their districts and likely focus on the upcoming November general election.

Bonds

The November ballot includes an $11 billion water bond that was approved by the legislature in 2009. The CSU has an interest in this matter given the funding dedicated to applied research and workforce development. Governor Brown has urged the legislature to replace this item with a new bond measure that reduces the amount and eliminates earmarks while focusing on groundwater, storage and the Delta tunnels.

A K-12/higher education bond is also being proposed by Assembly Member Joan Buchanan given the backlogs and growing needs of all education segments. While there is tremendous support for an education bond in 2014 or 2016, it remains unclear whether Governor Brown and the legislature will be able to resolve key issues before they adjourn.
Affordability and Financial Aid

Affordability and financial aid remain trending issues, even with the tuition fee freeze for CSU and the University of California (UC). Several measures explored novel fee structures while others prohibited new or increased student campus-based fees. While these bills were not successful, elected officials continue to focus on student costs.

The measures that have been successful this year are those that deal with the Cal Grant process including increasing the awards’ sizes, expanding the number of awards granted, simplifying the financial aid application or extending the period of application. All of these proposals would benefit CSU students, but the cost for these proposals has made it difficult to get them enacted.

Campus Safety and Climate

Campus safety and climate were a significant issue all year as a result of devastating incidents at universities throughout the country and state. Campus sexual violence and assault came to the attention of many as a result of victims’ reports from public and private institutions, pending legal action under Title IX, and renewed attention by the federal government. While no CSU campus has been targeted by the US Department of Education’s review of some 55 institutions, the Joint Legislative Audit Committee (JLAC) requested the Bureau of State Audits (BSA) to investigate the matter after news reports regarding incidents at UC and private institutions in Southern California. The report was released June 24 and was the subject of a hearing in the State Capitol on June 30.

Three measures are also working through the legislative process addressing various aspects of this important issue. The CSU agrees overall with the measures introduced, which mirror or strengthen existing and newly established policies on the matter.

Assembly Speaker Emeritus John Perez created a select committee to look at campus climate in response to a hate crime incident at San Jose State University. The committee report anticipated this summer is expected to address the role of ethnic studies programs on our college campuses, training of campus personnel and students regarding discrimination and hate crimes, and the diversity of university faculty and staff.

Board of Trustees Sponsored Legislation

**AB 2324 (Williams) Faculty-Trustee Holdover Appointment:** This proposal allows a current faculty trustee a holdover period pending reappointment or new appointment by the Governor so that there is no interruption in representation on the board.
STATUS: The bill passed the Senate Appropriations Committee and will now move onto the Senate Floor. We expect it to move across the Governor’s desk long before the legislature adjourns.

AB 2736 (Committee on Higher Education) Postsecondary Education: California State University: This bill was as amended to authorize the Board of Trustees to implement a statewide voluntary fee for the California State Students Association (CSSA). The other three provisions deal with minor reporting changes for the system.

STATUS: The bill passed unanimously in the Senate Education Committee this week and will be heard in Senate Appropriations the first part of August.

Priority Bills

AB 1989 (Chesbro) Underage Drinkers: Students in Winemaking and Brewery Science Programs: This measure is co-sponsored with the UC and creates a narrow exception to the current Alcoholic Beverage Control Act related to the consumption of alcohol by underage persons. The bill allows CSU and the UC students, who are at least 18 years of age and enrolled in an enology degree granting program, such as at Cal Poly SLO and Fresno State, to taste, but not consume, wine for educational purposes.

CSU POSITION: SUPPORT/SPONSOR

STATUS: The bill is pending action on the Senate Floor and then will move to the Governor’s desk.

AB 2610 (Williams) California State University: Special Sessions: The bill was amended at the request of the CSU to implement the definition of “supplant” that was crafted by the Extended Education Task Force appointed by Chancellor White earlier this year. The legislature had concerns that the task force definition was too broad as reflected by the Senate Education Committee Chair, Carol Liu, and her staff where the bill was heard on July 26. The committee also believed that the definition proposed by the California Faculty Association (CFA) in AB 2153 was too restrictive.

After days of negotiation between the committee and CSU, AB 2610 now establishes a definition of “supplant” that: 1) responds to the California State Auditor’s recommendation that the legislature adopt a “supplant” definition; 2) provides clear guidance to the CSU about what supplanting is and is not, and; 3) allows extended education to continue to meet the needs of students and the workforce. The bill also requires annual reporting to the Board of Trustees on FTEs undergraduate enrollment in state-support, self-support and the number of matriculated state-supported students enrolling in self-support courses during the academic year.
There are a few remaining issues that the committee and CSU expect to resolve in the Appropriations Committee in August.

**CSU POSITION:** SUPPORT
**STATUS:** This bill was passed unanimously by the Senate Education Committee and will be considered next in the Appropriations Committee when the legislature returns from summer recess.

**SB 1210 (Lara) Postsecondary Education: California Student Education Access Loan Program:** This bill is co-sponsored with UC, would establish the Dream Loan Program to serve CSU and UC students who meet the AB 540/130/131 eligibility criteria, but lack access to federal student loans. Students would qualify for up to $4,000 in loans per academic year under a financial partnership between the state and participating institutions.

**CSU POSITION:** SUPPORT/SPONSOR
**STATUS:** This measure passed out of the Assembly Higher Education Committee and will be heard next in the Assembly Appropriations Committee.

**Other Legislation of Interest**

**AB 46 (Pan) California State University: Online Education:** This proposal requires extensive data collection regarding university resources used by faculty and staff associated with educational programming vendor contracts. The CFA sponsored this measure in response to the Udacity contract with San Jose State University. The CSU offered amendments to provide readily available data that results from such agreements and would make it available at the request of the Academic Senate. This is consistent with CFA’s intent to get information to assess the success of online courses. To date, CFA has rejected the most critical amendment – to remove language that would require CSU to track and report not only student outcomes from online courses, but also student use of university resources related to such courses.

**CSU POSITION:** OPPOSE UNLESS AMENDED
**STATUS:** The bill will be considered in the Senate Appropriations Committee in August. We estimate at least $400,000 in new costs for the CSU before we calculate the impact of the provision regarding tracking of student use of university resources.

**AB 736 (Fox) California State University: Antelope Valley:** This bill authorizes the CSU to do a feasibility study for a free-standing off-campus center at Antelope Valley. We have estimated costs of up to $600,000 for the study to do physical, academic and environmental planning and traffic components. This has been a long-standing issue for the community given its distance from CSU Bakersfield. The author is one of the two Democrat incumbents targeted
in the upcoming fall election. As amended in the Senate Education Committee this week, the CSU is not required to move ahead on the study unless and until non-state sources have been retained to cover costs. The bill requires funding to be derived solely from non-state sources.

CSU POSITION: NO OFFICIAL POSITION
STATUS: The bill will be heard in the Senate Appropriations Committee in early August.

AB 938 (Weber) Public Postsecondary Education: Fees: This bill was amended in late June to prohibit any new Student Success Fees or increases to existing ones without a vote of the student body.

CSU POSITION: NONE
STATUS: The bill was further amended in the Senate Education Committee to state that the CSU will ensure that low-income students receive financial aid to cover these mandatory fees. The bill will be heard next in the Senate Appropriations Committee in August.

AB 1348 (J. Perez) Postsecondary Education: California Higher Education Authority: This proposal creates a new higher education coordinating body that includes oversight for public and all private colleges and universities. The governing body consists of nine public members appointed by the Governor, Assembly Speaker and the Senate Rules Committee as well as a student representative from each segment. The bill excludes segmental representatives from the board unlike the California Postsecondary Education Commission (CPEC) which was closed after the Governor deleted all funding several years ago.

CSU POSITION: CONCERNS
STATUS: The bill passed in the Senate Education Committee last week following nine months of discussions with the Speaker’s staff about our suggestions and concerns. In deference to the Speaker Emeritus, we took the unusual step of expressing concerns about the lack of segmental representation on the governing board. UC and the California Community Colleges (CCC) shared our concerns. The bill will be heard in the Senate Appropriations Committee later this summer but there is no funding in the measure or budget to implement it.

AB 1433 (Gatto) Student Safety: This measure require any sexual or violent crime reported to campus police be immediately disclosed to a local public law enforcement agency which has a Memorandum of Understanding with the campus; if the victim agrees to the release of such information. Campuses will continue to serve as the lead agency for investigation of the crime. It also requires that any sexual assault or hate crime that takes place on or near a campus be
reported to the campus law enforcement by the campus security authority, consistent with the Clery Act.

CSU POSITION: SUPPORT
STATUS: The bill was placed on the Senate Education’s consent file and will be heard in the Senate Appropriations Committee on June 30.

**AB 1451 (Holden) Concurrent Enrollment in Secondary School and Community College:** This bill expands opportunities for high school students to dual enroll at local community colleges. The CSU has supported the bill as a partner to the CCC as well as to give students another way to progress to their degree. The CSU believes that concurrent enrollment supports students on their pathway from high school to community colleges and ultimately the CSU – all of which have a positive impact on college affordability, access and completion.

CSU POSITION: SUPPORT
STATUS: The bill passed in the Senate Education Committee and will be heard by the Senate Appropriations Committee in August.

**AB 1456 (Jones-Sawyer) Higher Education: Tuition and Fees: Pilot Program:** This proposal directs the California Student Aid Commission (CSAC) and the Legislative Analyst Office (LAO) to study a pilot program where students are not charged tuition fees or housing costs, but rather commit to pay a percentage of their salary back to the institution post-graduation. It asks for four campuses to be identified as participants (one from each public segment and one non-profit, spread evenly across the state), but does not guarantee funding for the backfill of lost revenue.

CSU POSITION: NO OFFICIAL POSITION
STATUS: This measure was approved by the Assembly and is now in the Senate Rules Committee but was never referred to a policy committee. As the measure is keyed fiscal and does not have an urgency clause, the bill is dead.

**AB 1549 (Rendon) Postsecondary Education: Equity in Higher Education Act:** This proposal requires higher education institutions to post their policies on sexual assault on their websites. It is understood that the author, who requested the BSA report on sexual assaults, will amend the bill to implement recommendations of the final report.

CSU POSITION: WATCH
STATUS: The bill passed in the Senate Education Committee and is headed to the Senate Appropriations Committee in August.
AB 1927 (Frazier) Student Financial Aid: Debit Cards: This bill proposes that all California universities and colleges who offer financial aid disbursement via a third party debit card establish best practices and protect students from what some would call predatory practices by vendors such as Higher One. The most restrictive provisions were removed by the Assembly Banking Committee, addressing CSU concerns. While numerous community colleges have partnered with vendors like Higher One, only one CSU campus, Fresno, has signed a contract for this purpose.

CSU POSITION: NO OFFICIAL POSITION
STATUS: The Senate Appropriations Committee will consider this measure in August.

AB 1924 (Logue) Public Postsecondary Education: Baccalaureate Degree Pilot Program: This proposal is the third attempt by the author to create a new pathway for a student to complete their degree in four years at a cost not to exceed $12,000. Per the language in the measure, an institution would volunteer to participate in the program. A similar version of the proposal creates a program at the UC capping total fees at $25,000.

CSU POSITION: NO OFFICIAL POSITION
STATUS: The measure will not be heard this year and is dead.

AB 1953 (Skinner) Higher Education Energy Efficiency Act: Grants: This proposal establishes financial assistance via no-interest, low-interest loans and loan loss reserves, and directs the California Energy Commission, in coordination with the CSU chancellor and UC president, to provide building retrofits that reduce energy demand on our campuses. The author is negotiating with leadership and the administration regarding the funding mechanism.

CSU POSITION: SUPPORT
STATUS: This measure passed out of the Senate Energy, Utilities and Communications Committee and now goes to the Senate Appropriations Committee.

AB 1969 (Levine) Postsecondary Education: Intersegmental Coordination in Governance: The proposal requires the CSU and the CCC, and requests the UC, to coordinate the procuring of systemwide information technology and software for the purposes of enhancing student achievement. In addition, the measure requires that any future upgrades or revisions of our existing systems make them compatible with other segments.

CSU POSITION: NO OFFICIAL POSITION
STATUS: All three segments have concerns about this measure and expected a different outcome in the policy committee this week. The CSU experts are
concerned with the feasibility and cost of this measure. The bill will be heard by the Senate Appropriations Committee in early August.

AB 1977 (R. Hernandez) Public Postsecondary Education: Student Academic Preparation and Educational Partnerships: This bill increases financial support for academic programs like the Early Academic Outreach Program (EAOP), the Mathematics, Engineering, Science Achievement (MESA) program, and the Puente program. These preparation programs are not funded by a line item in the CSU budget.

CSU POSITION: NO OFFICIAL POSITION
STATUS: The measure was placed on the Assembly Appropriations suspense file due to costs and is now dead for the session.

AB 2099 (Frazier) Postsecondary Education: Title 28 Awards: This bill establishes minimum student outcome requirements for postsecondary institutions that educate student veterans and are utilizing their federal veteran’s education benefits. Ultimately, the author’s goal is to steer veterans away from enrolling at for-profit colleges that have high default and low graduation rates. The graduation and default rates that institutions must meet in order to enroll veterans utilizing their veteran’s education benefits mirror that of the Cal Grant program. This bill would also require that institutions be fully compliant with the federal Principles of Excellence.

CSU POSITION: SUPPORT IF AMENDED
STATUS: This bill passed the Senate Education Committee and will be heard in Senate Appropriations Committee in August. The CSU remains concerned with the requirement that all campuses fully comply with the federal principles, thus requiring new hires on every CSU campus at a significant unfunded cost.

AB 2153 (Gray) Postsecondary Education: Course Offering: This proposal, sponsored by the CFA, proposed a very restrictive statutory definition of “supplant” for extended education courses and programs at the CSU. The definition would have had harmful consequences on extended education and would have eliminated many options for students to enroll in extended education.

CSU POSITION: OPPOSE
STATUS: This bill is no longer moving forward. Some of its provisions have been mitigated and will be amended into AB 2610 (Williams and Gray).

AB 2235 (Buchanan) Education Facilities: Kindergarten-University Public Education Facilities Bond Act of 2014: This bill authorizes a $9 billion general obligation bond to be placed before the voters on the November 2014 statewide general election and gives higher
education $3 billion. The bond provides $500 million to the CSU (and the UC) and $2 billion to the community colleges.

CSU POSITION: SUPPORT
STATUS: This measure was approved by the Senate Governance and Finance Committee and now goes to the Senate Appropriations Committee.

**AB 2721 (Pan) Trustees of the California State University: Non-faculty Employees:** This proposal adds a staff representative as a voting member of the Board of Trustees. As introduced, the nomination of proposed appointees to the Governor by the union required the staff trustee to be someone covered by HEERA. The CSU offered amendments to allow all staff to be considered for this appointment and the creation of a staff council similar to the Academic Senate for nominations to the Governor. The committee proposed changes consistent with CSU suggestions. ASR staff is working with legislative staff to ensure that the final bill language reflects these changes correctly.

CSU POSITION: PENDING
STATUS: The bill passed the Senate Education Committee and will be heard in the Senate Appropriations Committee in August.

**SB 845 (Correa) Postsecondary Education: Electronic Disbursement of Student Financial Aid:** This bill is seen as another approach to the issues raised by AB 1927 (Frazier) regarding financial aid disbursement via debit cards. Senator Correa and his staff have worked closely with Chancellor’s Office ASR and Contracts and Procurement staff to draft a bill that establishes guidelines for campus contract with third party vendors for this purpose. The measure is supported by CSSA.

CSU POSITION: SUPPORT
STATUS: The bill will be heard by the Assembly Appropriations Committee in August.

**SB 850 (Block) Community College Districts: Baccalaureate Degree Pilot Program:** This measure authorizes a pilot program for CCC baccalaureate degrees that are not offered by the CSU and UC. Up to 15 districts can offer one program each to respond to workforce needs after being approved by the CCC chancellor and Board of Governors. The CSU worked closely with Senator Block to develop amendments that addressed concerns from Academic Affairs and in turn we were one of two supporters asked to testify in committee earlier this week. The CSU played a significant role responding to questions by committee members during the hearing noting a strong partnership with the CCC and interest in finding ways to serve students and the state.
CSU POSITION: SUPPORT
STATUS: This measure passed out of the Assembly Higher Education Committee and now goes to the Assembly Appropriations Committee.

SB 943 (Beall) CSU: Personal Services Contracting: This measure establishes standards for personal service contracts similar to those of the State Civil Service Act to be applicable to the CSU. It requires the Public Employment Relations Board to review and disapprove a contract that does not meet those standards among other things.

CSU POSITION: OPPOSE
STATUS: This measure was defeated in the Senate Education Committee.

SB 967 (DeLeon) Student Safety: Sexual Assault: This proposal requires the public segments as well as the independent universities and colleges to adopt policies on campus sexual violence, including an affirmative consent standard in the determination of whether consent was given by a complainant and to provide written notification to the victim about the availability of resources and services. Much of what the measure proposes to do is already required by federal regulations, but both Assembly Member Gatto and Senator DeLeon have Occidental College within their districts where significant issues have been raised by students and others.

CSU POSITION: SUPPORT
STATUS: This measure passed out of the Assembly’s Judiciary and Higher Education Committees and now goes to the Assembly Appropriations Committee. The CSU supports the intent of the bill and is working with the author on some of the wording in the measure.

SB 1017 (Evans) Education Finance: Oil and Gas Severance Tax: This proposal establishes an oil severance tax which would designate fifty percent of the revenues received to the UC, CSU, and CCC; twenty-five percent to the Department of Park and Recreation; and twenty-five percent towards the California Health and Human Services Agency. The CSU would be required to use the funds provided to the system for the following purposes: 1) deferred maintenance; 2) instructional equipment replacement; 3) pay off debt from a statewide bond; and, 4) minor capital outlay projects as allocated by a newly created oversight board rather than the Board of Trustees.

CSU POSITION: NO OFFICIAL POSITION
STATUS: This measure was held on the Senate Appropriation Committee’s suspense file and is now dead for the year.
SB 1022 (Huff) Public Postsecondary Education: Labor Market Outcome Information:
This proposal requires the UC and CSU to create a website similar to what the community colleges had created as “Salary Surfer.” The website would show how much more income you would make with a degree in a certain field as compared to not having a degree and would provide a statistical listing of colleges that offer degrees in that field.

CSU POSITION: SUPPORT
STATUS: The bill will be heard in the Assembly Appropriations Committee in August.

SB 1196 (Liu) Public Postsecondary Education: State Goals: This bill reflects the legislature’s interest in being involved in and party to the sustainability plans and accountability agreement between Governor Brown, the CSU and the UC. As amended in the Senate Education Committee last Wednesday, the bill creates a task force to work with all the parties to develop measures of success tied to the statewide goals enacted last year through SB 195.

CSU POSITION: WATCH
STATUS: The bill will be heard in the Senate Appropriations Committee in August.

SB 1325 (Yee) California State University: Contractors: This proposal requires that any contracts entered into by the system with a private vendor include a provision that any data collected by the contractor related to a student or a faculty member of the university, be provided to the university in both electronic and paper formats. Also, any contract entered into with a non-state entity must explicitly address the issue of ownership of the intellectual property.

CSU POSITION: NO OFFICIAL POSITION
STATUS: The measure was sent back to the Senate Rules Committee as the author is on indefinite leave. The contents of this measure have been amended into AB 46 (Pan) reported here.